National Round Table on the Environment and the Economy

2009–2010

Departmental Performance Report

The Honourable Jim Prentice
Minister of the Environment

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MESSAGE FROM THE PRESIDENT AND CEO

The year was an exceptionally busy and successful one for the Round Table. The NRTEE published more reports, held more consultations, received more visits to its website and more downloads of its reports than ever before, beginning with the April, 2009, release of *Achieving 2050: A Carbon Pricing Policy for Canada*. This was followed by four separate policy publications, including last July's annual requisite assessment of the government's *Kyoto Protocol Implementation Act Action Plan* and two other major reports in the spring of 2010.

The Round Table marked the fall by releasing *True North: Adapting Infrastructure to Climate Change in Northern Canada*. The report offered practical advice on how Northern Canada can adapt its infrastructure to the potential effects of a changing climate. This report is being utilized by government officials. Later, the Round Table wound up its *Achieving 2050* policy report with an electronic report highlighting key outcomes from a series of outreach sessions with stakeholders that took place in the late spring and summer of 2009.

Throughout the year, the Round Table also continued with its work on two major policy research programs: Climate Prosperity: The Economic Risks and Opportunities of Climate Change for Canada and Water Sustainability and Canada's Natural Resource Sectors.

The *Climate Prosperity* series was unveiled to the public in April, 2010, with a brochure outlining the scope of the program. The first report in the series, *Measuring Up: Benchmarking Canada's Competitiveness in a Low-Carbon World*, was released in May, 2010. In June, the NRTEE released the first of two reports as part of its water program, *Changing Currents: Water Sustainability and the Future of Canada's Natural Resource Sectors*.

In early 2010, the NRTEE produced, in conjunction with the Public Policy Forum, a report examining the need for new collaborative governance approaches to achieve the goals of sustainable development. Entitled *Progress Through Process: Achieving Sustainable Development Together*, this joint report was the culmination of meetings and consultations with 20 experts in the field of sustainability and governance.

The Round Table also took a leading role in preliminary discussions on a clean-energy strategy for Canada, which included nine other public policy organizations.

The NRTEE is committed to operating in an environmentally responsible way by reducing its carbon footprint and greening its operations. In January, 2010, the NRTEE adopted a new *Environmental Code of Practice* and formalized a comprehensive set of policies and practices to guide its greening activities.

Last year marked the beginning of the Round Table's third decade of providing the Government of Canada and Parliament with policy advice on achieving sustainable development. We look forward to continuing to do so.

David McLaughlin

NRTEE President and CEO

SECTION 1: AGENCY OVERVIEW

1.1 Summary Information

Raison d'Être and Responsibilities

The raison d'être, or purpose, of the National Round Table on the Environment and the Economy (NRTEE or Round Table) is to play the role of catalyst in identifying, explaining, and promoting, in all sectors of Canadian society and in all regions of Canada, principles and practices of sustainable development.

The NRTEE interprets this broad mandate through a strategic focus on issues of national interest at the intersection of the environment and the economy. It examines the environmental and economic implications of priority issues and offers independent advice on how to address them.

Through its work, the NRTEE strives to influence policy development and decisions on issues pertaining to the environment and the economy. These promote economic prosperity for all Canadians while striving to preserve the environment for current and future generations.

Legislative Purpose

(a) undertaking research and gathering information and analyses on critical issues of sustainable development;

(b) advising governments on ways of integrating environmental and economic considerations into their decision-making processes and on global issues of sustainable development;

(c) advising those sectors and regions on ways of incorporating principles and practices of sustainable development into their activities;

(d) promoting the understanding and increasing public awareness of the cultural, social, economic, and policy changes required to attain sustainable development; and

(e) facilitating and assisting cooperative efforts in Canada to overcome barriers to the attainment of sustainable development.

National Round Table on the Environment and the Economy Act, Section 4

Created in 1988 by the Prime Minister, the NRTEE is an independent national advisory body reporting to the federal government and Parliament through the Minister of the Environment (see Figure 1 for the agency's internal organization and relationship to the federal government). The Round Table had its status formalized in a 1993 Act of Parliament, Bill C-72, *An Act to establish the National Round Table on the Environment and the Economy* (*NRTEE Act*).

The NRTEE is a departmental corporation (*Financial Administration Act*, Schedule II).

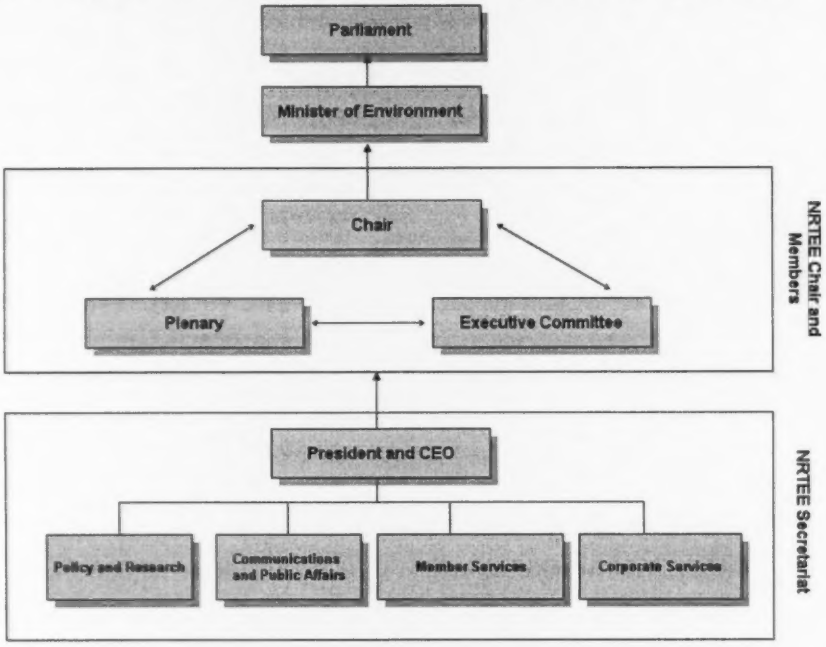
The work of the NRTEE is directed by the Round Table members drawing on their expertise and insight. The members are part-time Governor-in-Council appointees. They represent different regions of Canada and are distinguished leaders from business, labour, universities,

public service, and environmental organizations. A complete list of the NRTEE's members can be found in section 4.2.

The Round Table normally meets four times each year in plenary sessions where members discuss priorities and review and approve the work of the Secretariat. A Secretariat in Ottawa, headed by a President and CEO, supports the members. In this context, the Secretariat provides program management, policy and research analysis, communications, and administrative services to the NRTEE members.

General information about the NRTEE and its membership can be found on the agency's website at www.nrtee-trnee.ca

Figure 1: NRTEE internal organization and relationship to the federal government



1.2 Strategic Outcome

As approved by the Treasury Board of Canada Secretariat (TBS) in June 2007, the NRTEE has a single Strategic Outcome and a key program activity, which the NRTEE strives to achieve in the effective pursuit of its mandate. It is as follows:

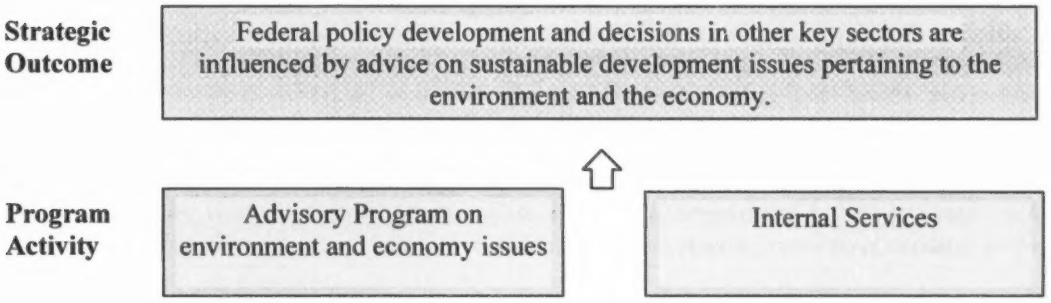
Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.

In addition, the NRTEE has the standard Government of Canada Internal Services program activity.

Program Activity Architecture (PAA)

Figure 2 illustrates the NRTEE's framework for its program activity, contributing toward the Agency's single Strategic Outcome.

Figure 2: Program Activity Architecture (PAA) — National Round Table on the Environment and the Economy


Strategic Outcome
Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.
Program Activity
Advisory Program on environment and economy issues
Internal Services

1.3 Performance Summary

Financial Resources

Table 1: 2009-10 Financial Resources Summary (\$ thousands)

Planned Spending	Total Authorities	Actual Spending
5,134.0	5,450.9	4,920.5

Human Resources

Table 2: 2009-10 Human Resources Summary (FTEs)

Planned	Actual	Difference
31	29	2

Planning Summary

Table 3: 2009-10 Planning Summary ($ thousands)

Strategic Outcome: Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy.						
Performance Indicators: The extent to which NRTEE's advice is considered in federal policy decisions and its research results are used in developing policy recommendations				2009–10 Performance: Stakeholder feedback indicates NRTEE research to be generally high quality, timely, relevant and useful, which supports the Strategic Outcome		
Program Activity	**Actual Spending 2008–09**	**2009–10[1]**				**Alignment to Government of Canada Outcomes**
		Main Estimates	**Planned Spending**	**Total Authorities**	**Actual Spending**	
Advisory program on environment and economy issues		2,932.7	2,933.0	3,119.5	2,971.5	Strong economic growth
Internal Services		2,200.8	2,201.0	2,331.4	1,949.0	
Total	**5,051.6**	**5,133.6**	**5,134.0**	**5,450.9**	**4,920.5**	

1.4 Contribution of Priorities to Strategic Outcome

Table 4 illustrates the contribution of the NRTEE to its two key areas of priority as identified in the NRTEE's 2009–2010 Report on Plans and Priorities (RPP) (one operational and one management) toward its single Strategic Outcome.

[1] Commencing in the 2009-10 Estimates cycle, the resources for the Internal Services program activity are displayed separately from other program activities; they are no longer distributed among the remaining program activities, as was the case in previous Main Estimates. This has affected the comparability of spending and FTE information by program activity between fiscal years.

Table 4: Contribution of Organizational Priorities toward Strategic Outcome, 2009–2010

Priority 1: Operational Priorities	Type	Status	Linkage to Strategic Outcome
Produce and promote advice to decision makers on environment and economy issues	Ongoing	Mostly met. Operational initiatives outlined in the 2009-10 were achieved with minor exceptions. For specific details see section 2.2	The production and promotion of high quality research and advice contributes to progress towards the Round Table's single Strategic Outcome: 'Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy'.
Priority 2: Management Priorities	**Type**	**Status**	
Apply sound management practices in operations	Ongoing	Mostly met. Management initiatives outlined in the 2009-10 RPP were achieved with minor exceptions. For specific details see section 2.2	

1.5 Risk Analysis

Context

The NRTEE strives to influence the government's approach to important sustainable development issues. To accomplish this, the NRTEE must produce and promote relevant, neutral, and credible advice in a timely manner. Its ability to do so is affected by both external and internal factors.

Changes in operating environment have been, and will continue to be, a challenge for a small agency such as the NRTEE and the agency expects to experience continuing pressures to adapt and respond over the next few years. Key risk factors are discussed below.

Risk Factors

Concern about the environment—and climate change in particular—have put the Round Table's work in the spotlight. However, the emergence of the economy as the primary issue of national interest poses a potential risk for the NRTEE as it may make it more difficult to get the attention of the decision makers whom the Round Table seeks to influence. In order to be credible in this situation, the NRTEE needs to achieve a balance between generating advice that is relevant and useful to the government in the short term, and yet is also relevant and sustainable for the future. The NRTEE understands this complex environment well and manages the associated risks by

producing advice that is fact-based, objective, and sound, and by consulting on an ongoing basis with its stakeholders both inside and outside government. Its communications strategy is also crafted to address this challenge.

The timing of the appointment of new members to the Round Table has, in the past, posed challenges for the NRTEE in terms of ensuring continuity for its work. Recent appointments approaches by the government have helped address this. Ensuring balanced representation of members is an ongoing goal. The NRTEE mitigates risk in this regard by broadly consulting with stakeholders to ensure that representation from all sectors and regions of the country is reflected in its work.

Small agencies such as the NRTEE are often vulnerable to employee turnover, since there is not the same depth in staff resources as in larger organizations. Internally, the NRTEE faced particular challenges in 2009–2010 due to the departure of some employees that affected project deadlines. The NRTEE attempts to pro-actively address these risks on an ongoing basis through cross training and a matrix approach to its policy projects.

1.6 Expenditure Profile

In 2009–2010, the Round Table's spending was $4.9 million. In this period, there were no transfer payment programs or significant shifts in spending.

1.7 Voted and Statutory Items

Table 5 illustrates the way in which Parliament approved the NRTEE's resources, and shows the changes in resources derived from Supplementary Estimates and other authorities, as well as how funds were spent.

Table 5: Voted and Statutory Items ($ thousands)

Vote # or Statutory Item (S)	Truncated Vote or Statutory Wording	Actual Spending 2007–08	Actual Spending 2008–09	2009–10	
				Main Estimates	Actual Spending
20	Operating expenditures	4,517.7	4,695.6	4,732.1	4,512.8
(S)	Contributions to employee benefit plans	339.1	356.0	401.5	407.8
(S)	Expenditures pursuant to Paragraph 29.1 (1) of the *Financial Administration Act*	0.9	-	-	0
	Total	**4,857.7**	**5,051.6**	**5,133.6**	**4,920.5**

SECTION 2: ANALYSIS OF PROGRAM ACTIVITY BY STRATEGIC OUTCOME

2.1 NRTEE Strategic Outcome

As previously outlined in section 1.2, the NRTEE has a single Strategic Outcome as approved by the Treasury Board of Canada Secretariat (TBS). It is as follows:

Federal policy development and decisions in other key sectors are influenced by advice on sustainable development issues pertaining to the environment and the economy

The key indicator of the NRTEE's overall performance against its Strategic Outcome is the extent to which NRTEE's advice is considered in federal policy decisions and its research results are used in the development of policy recommendations.

The Program Activity that pertains to this Strategic Outcome is:

Advisory Program on environment and economy issues

The NRTEE's approach to achieving its Strategic Outcome consists of producing and promoting its policy advice and applying sound management practices in all aspects of its work. The NRTEE's goal is to increase the understanding of decision makers and Canadians about challenges and opportunities at the intersection of the environment and the economy, and to inform the public policy debate on those questions.

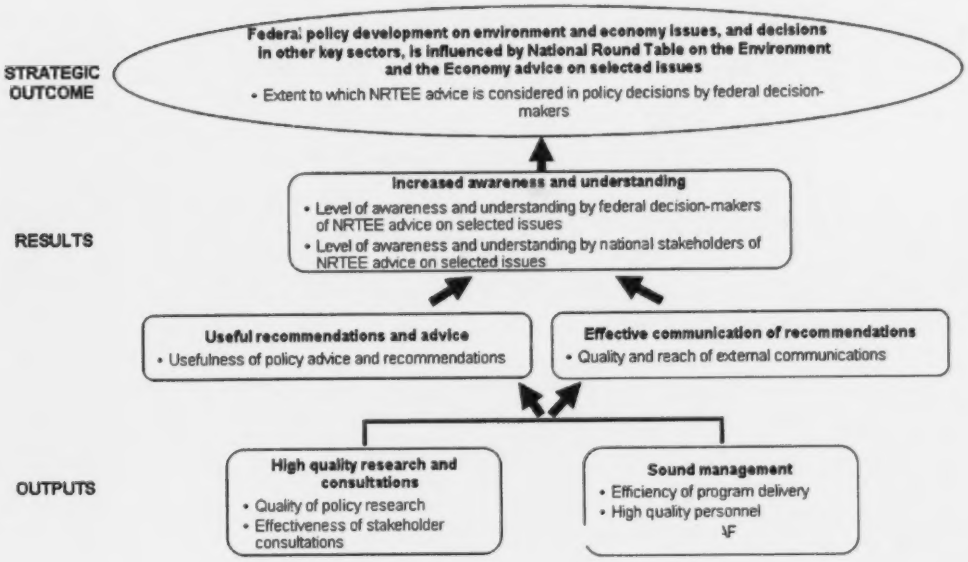
The NRTEE is in the unique position of being an independent policy advisory agency that advises the federal government on sustainable development solutions. It raises awareness among Canadians and their governments about the challenges of sustainable development by advocating for positive change and strives to promote credible and impartial policy solutions that are in the best interest of all Canadians.

During 2009–2010, the NRTEE engaged federal departments, agencies, and key national, provincial, and territorial stakeholders in our research and ideas generation. Throughout the course of its work, the NRTEE has continued to suggest ways to make environmental and economic concerns an important part of the government's decision-making processes and encourage the adoption of its sustainable development recommendations.

The NRTEE Performance Measurement Framework

The performance measurement framework, presented in Figure 3, identifies the performance indicators for the single Strategic Outcome and each result and output contributing to this outcome.

Figure 3: NRTEE Performance Measurement Framework


STRATEGIC OUTCOME
Federal policy development on environment and economy issues, and decisions in other key sectors, is influenced by National Round Table on the Environment and the Economy advice on selected issues
• Extent to which NRTEE advice is considered in policy decisions by federal decision-makers
RESULTS
Increased awareness and understanding
• Level of awareness and understanding by federal decision-makers of NRTEE advice on selected issues
• Level of awareness and understanding by national stakeholders of NRTEE advice on selected issues
Useful recommendations and advice
• Usefulness of policy advice and recommendations
Effective communication of recommendations
• Quality and reach of external communications
OUTPUTS
High quality research and consultations
• Quality of policy research
• Effectiveness of stakeholder consultations
Sound management
• Efficiency of program delivery
• High quality personnel

2.2 Program Activity Summary

The summary reflects the three core areas of NRTEE activity: Produce Advice, Promote Advice, and Apply Sound Management Practices.

The expected results for each of these three core activities, outlined below, are in accordance with the NRTEE's Performance Measurement Framework, as illustrated in Figure 3.

Produce Advice

Producing advice entails conducting original research and convening experts and stakeholders to ensure balance and credibility. The research analyzes the environmental and economic facts and trends underlying each issue. The resulting policy recommendations are reviewed and approved by NRTEE members. The culmination of this effort is a report that presents the findings, analysis, and recommendations from the research and consultation process and the consensus of members.

Expected Results and Outputs (as illustrated in Figure 3: NRTEE Performance Measurement Framework)

- Usefulness of policy advice and recommendations
- Quality of policy research
- Effectiveness of stakeholder consultations

(a) Generate Policy Advice

In 2009–2010, the NRTEE successfully undertook a variety of activities through a range of targeted initiatives to achieve its expected results.

Achieving 2050: A Carbon Pricing Policy for Canada: Published in April 2009, this report, and its Technical Backgrounder, recommended a carbon pricing policy for Canada designed to meet the government's 2020 and 2050 GHG emissions reductions targets. The report explores how best to establish a unified carbon pricing policy for Canada – in the form of an economy-wide cap-and-trade system – that would meet Canada's environmental goals at least economic cost.

Following the release of the report, the NRTEE held a series of outreach sessions in six Canadian cities during the spring and summer of 2009 to gauge regional views and gain insights on the potential impact of the proposed carbon pricing policy. A summary report, released in December 2009, highlights the key outcomes from the sessions, including areas of agreement and divergence as well as specific issues participants felt the federal government needed to be aware of when moving toward a unified national cap-and-trade system. Participants across Canada strongly supported many of the recommendations of *Achieving 2050.*

Climate Prosperity – The Economic Risks and Opportunities of Climate Change for Canada: Building on its previous work on climate change, the NRTEE developed and announced the *Climate Prosperity* program in 2009-2010, focusing on the economic risks and opportunities for Canada related to climate change. A brochure providing details of this two year program was produced and distributed to a large number of stakeholders.

Knowing where we stand is a key component in determining where we must focus if Canada is to compete and win in this new reality. This is the purpose of the first report entitled *Measuring Up: Benchmarking Canada's Competitiveness in a Low-Carbon World*, released in May 2010. It assesses Canada's current and prospective competitiveness against other G8 nations in areas such as emissions and energy, skills, investment, innovation and governance.

True North: Adaptation of Northern Infrastructure to Climate Change: Canada's North is on the frontline of climate change. This is clearly apparent with infrastructure. This program's purpose was to demonstrate how improvements in the use of existing risk-based mechanisms - codes and standards, insurance, and disaster management - can reduce the vulnerability of northern infrastructure, while also addressing climate risks into the future. Released in November, 2009, *True North* was a product of over two years of intensive research and consultations with almost 100 stakeholders from the North and across Canada. The report set out 16 recommendations to make community, energy, and transportation infrastructure more resilient and able to cope with expected climate change.

Changing Currents: Water Sustainability and Canada's Natural Resource Sectors: The NRTEE program on Water Sustainability and Canada's Natural Resource Sectors is designed to examine the relationship between the energy, mining, forestry and agriculture sectors and water sustainability. The program raises the profile of water management within Canada, particularly with respect to the natural resource sectors. Its goal is to provide recommendations to governments, industry and water management authorities on policies, approaches and

mechanisms through which water can be better managed to foster both ecosystem health and the natural resource sectors' economic sustainability.

In 2009-2010, the NRTEE completed the program's first phase, which focused on defining the most important water uses to the sectors and key issues relative to them. This work resulted in the publication of *Changing Currents: Water Sustainability and the Future of Canada's Natural Resource Sectors,* released in June, 2010, in conjunction with the inaugural Canadian Water Summit in Mississauga, Ontario.

Sustainable Development Governance: Complex long term issues such a climate change, water management, clean energy and others require new collaborative engagement processes if we are to truly make progress. To begin to address this issue, the NRTEE collaborated in a project to examine how we could reinvigorate our governance processes to assist decision makers in choices and actions on sustainable development.

Over the course of two roundtable discussions and one-on-one interviews with 20 of Canada's leading experts and practitioners in the field of sustainable development and governance, the NRTEE developed the content towards production of a report entitled *Progress Through Process: Achieving Sustainable Development Together*. The report, released early in 2010, sets out eight key "*Elements of Successful Collaborative Governance for Sustainable Development*".

More information about each of these specific initiatives and related reports available for download can be found on the NRTEE website at www.nrtee-trnee.ca.

(b) Comply with Bill C-288

In July 2009, the NRTEE complied with its legislated responsibilities under the *Kyoto Protocol Implementation Act* (KPIA). This was the NRTEE's third response to its obligations under KPIA.

The NRTEE response may be found at http://www.nrtee-trnee.com/eng/issues/programs/KPIA/KPIA.php.

(c) Respond to Government References

In 2009–2010 the NRTEE was not called upon to respond to any formal government research requests.

(d) Establish a Strategic Outlook Function

Resource capacity and emerging workload pressures in other key areas has precluded the formal establishment of a strategic outlook function. Information and intelligence gathering on priority sustainability issues continues to be gathered on a less formal basis by the policy team through a dedicated resource and is used to seed ongoing policy discussions on future priorities.

(e) Establish an International Research Network

The network has evolved into a more informal research resource for the NRTEE. The organizations are called upon from time to time to provide contacts, research links, information and perspective internationally on policy matters being considered by the Round Table.

Promote Advice

On completion of a research program or project, the agency promotes its findings and advice through a variety of communications channels to reach targeted decision makers and opinion leaders across the country. This step is crucial for raising awareness and understanding and for influencing policy development. The NRTEE maintains and updates networks of selected individuals and stakeholder groups as a starting point for these activities.

Expected Results and Outputs (as illustrated in Figure 3: NRTEE Performance Measurement Framework)

- Quality and reach of external communications
- Level of awareness and understanding by federal decision-makers and national stakeholders of NRTEE advice on selected issues

(a) Maintain Program and Corporate Communications Activities

Based on the performance data collected for 2009–2010, the NRTEE was successful in achieving its expected results for the fiscal year.

Despite its limited resources, the NRTEE increased its overall communications profile and activities, supporting the release of the Round Table's reports, continued the upgrading of its website and communicated advice regularly and directly with stakeholders.

A major project to consolidate and streamline its stakeholder databases was initiated late in 2009-10. This will be completed in 2010 and will enable more efficient targeted communications with the agency's broad and diverse stakeholder community.

(b) Improve Strategic Communications

Media presence and relations are a key aspect of the work of the NRTEE communications team, and a measure of the influence and reach of the Round Table. In 2009–2010, the Round Table achieved significant presence in national and regional media, particularly in support of two of its key reports. Media citings totalled 52 for the *Achieving 2050 Advisory and Technical* Reports and 35 for and the *True North* Report. This was essentially double the coverage of reports in the previous year, a measure of the topical nature of the Round Table's work and the successful promotion of it.

The Round Table's website continued to evolve during the year – both technologically and with respect to content. These enhancements, when coupled with the continued shift to electronic

publishing, saw website visits more than double from the prior year to over 443,000 in 2009-2010.

The NRTEE's outreach efforts continue to be marked by an evolution to electronic publishing, with two reports, *Progress Through Process* and the third volume of the *Achieving 2050* series, being released in purely electronic form. This has resulted in a reduction in the number of printed copies produced, generally from the thousands to hundreds. In a continued effort to capitalize on the efficiency of new technology, report dissemination has been practiced increasingly via email and occasionally through the use of flash drive technology. This approach saves financial resources and reduces the NRTEE environmental 'footprint'.

Electronic publishing has helped to extend the NRTEE's outreach to its stakeholders and reduce the number and cost of hard-copy reports. Access to publications via the website has not only permitted immediate access to our stakeholders, it has significantly increased the distribution levels. For example, *Achieving 2050: A Carbon Pricing Policy for Canada* and its companion Technical Report were downloaded a combined 44,886 times and the downloads of *True North: Adapting Infrastructure to Climate /Change in Northern Canada* numbered 22,821.

(c) NRTEE Convening Role

In order to deliver sound recommendations and policy advice to governments, the NRTEE relies on its recognized two main strengths: The high quality of its research and its strong and unique convening power. The NRTEE's credibility makes it a recognized effective convener for matters related to sustainable development.

In 2009-2010, the NRTEE used its convening ability on a regular basis, either by hosting or participating in over 60 stakeholder sessions and speaking engagements in Canada and abroad, more than one a week, on average. Most of these events were organized as part of the NRTEE's main research programs. On a few occasions, the NRTEE convened stakeholders to roundtable discussions on other related topics. For example, in April 2009, the NRTEE hosted a meeting of industry, NGO and academic stakeholders to learn about Australia's experiences in designing and implementing a cap-and-trade system. We convened, in October 2009, a group of government, industry and non-government stakeholders to a roundtable discussion with the Head of the U.K. Carbon Trust.

Table 6 illustrates performance summary information, broken down by expected results and performance indicators.

Table 6: Summary of Performance Results by Indicator

Program Activity: Advisory Program on environment and economy issues					
2009-10 Financial Resources Summary ($ thousands)			**2009-10 Human Resources Summary** (FTEs)		
Planned Spending	**Total Authorities**	**Actual Spending**	**Planned**	**Actual**	**Difference**
2,933.0	3,119.5	2,971.5	17	16	1

Expected Results	Performance Indicators	Targets	Performance Status	Performance Summary
Increased awareness and understanding	Level of awareness and understanding by federal decision makers of NRTEE advice on selected issues	Decision makers have high level of awareness of challenges and potential solutions. NRTEE is perceived as a leader, able to bring stakeholders together to discuss current and emerging issues.	Mostly met	The NRTEE is perceived as a strong convenor and a leader in its field. Some uncertainty persists amongst stakeholders as to the NRTEE's impact on federal decision makers.
Useful recommendations and advice	Usefulness of policy advice and recommendations	Informed and regular contact with government decision makers at all appropriate levels. Detailed policy briefings provided. Policy analysis is seen as relevant, timely, and useful. High stakeholder satisfaction.	Mostly met	Regular collaboration and briefings with appropriate departments occurred on all key files. Feedback indicates analysis and advice is useful and relevant. Direct influence on broad policy decisions remains difficult to attribute and measure.
Effective communication of recommendations	Quality and reach of external communications	High visibility with stakeholders. Communications reach wide range of target audiences. Broad range of communications products, perceived to be of high quality. Periodic media coverage, generally positive.	Met all	Media presence, website activity and publication distribution volumes all increased from previous year
High Quality research and consultations	Effectiveness of stakeholder consultations	Frequent consultation with stakeholders at national and regional levels. Consultations confirm high-quality NRTEE research and build support for policy advice. High level of participation in NRTEE events. Events are perceived to have high added value.	Met all	All feedback mechanisms indicate the NRTEE's work is credible, balanced and comprehensive. The NRTEE's convening power is broadly recognized and events are well attended and supported.

Apply Sound Management Practices

With limited staff and a small budget, the agency takes seriously its responsibility to ensure that the stewardship of its financial and human resources is effective and aligned with government-wide initiatives.

Expected Results and Outputs (as illustrated in Figure 3: NRTEE Performance Measurement Framework)

- Efficiency of program delivery
- High quality personnel

The recruitment and retention of high quality personnel is critical to maintaining the Round Table's recognized high quality standards in policy research and analysis. The key challenge in 2009–2010 was the need to re-align and shift internal resources to meet a demanding work agenda in the face of un-anticipated staff turnover. This was accomplished and resources continued to be dedicated to reinforcing internal policy capacity and expertise.

An independent, survey of staff, demonstrated a strong attachment to, and belief in, the mission, mandate and relevance of the NRTEE. Employees considered the NRTEE a professional, credible and supportive place to work.

The integration of strategic and financial planning was improved, with resource allocations now more closely aligned with strategic and business priorities, informed in part by changes to the government's financial operating situation.

A formal assessment of the agency's dated risk framework did not take place due to staff turnover and other priorities. A regular risk assessment and management approach has instead been instituted, something the small size of the agency enables and is more appropriate to our circumstances.

The agency initiated a project to 'virtualize' its computer network infrastructure. To be completed in 2010-2011 this will reduce ongoing hardware replacement and network maintenance costs and the NRTEE's energy footprint.

In 2009–2010, the NRTEE had no significant findings in the annual financial statement audit by the Office of the Auditor General of Canada. The 2009-2010 assessment of the agency under Treasury Boards Management Accountability Framework (MAF) produced positive feedback overall, with no areas requiring significant improvement.

The NRTEE is committed to operating in an environmentally responsible way by reducing its carbon footprint and greening its operations. To demonstrate this commitment, in January, 2010, the NRTEE adopted a new *Environmental Code of Practice* and formalized a comprehensive set of policies and practices to guide its greening activities.

The NRTEE Secretariat has committed itself to conduct an annual inventory of GHG emissions from NRTEE operations and to calculate its carbon footprint according to recognized standards and methods. The information generated by the annual GHG inventory will highlight opportunities for the NRTEE to reduce or avoid energy use in its operations.

Program Activity: Internal Services					
2009-10 Financial Resources Summary ($ thousands)			**2009-10 Human Resources Summary** (FTEs)		
Planned Spending	**Total Authorities**	**Actual Spending**	**Planned**	**Actual**	**Difference**
2,201.0	2,331.4	1,949.0	14	13	1

2.3 Performance Analysis

Performance results indicate positive performance against expected results identified in the performance measurement framework. This enhances the NRTEE's ability to achieve its Strategic Outcome.

Performance is in part measured and supported by independent surveys and feedback from stakeholders and NRTEE members. Results and responses during 2009-2010 indicated that the NRTEE:

- Produces high quality, balanced, credible work, that is on the leading edge in its field.
- Is a trusted neutral reference.
- Has a unique capacity to convene important dialogues around policy research, bringing diverse interests together in an effective manner.
- Produces research and advice that is useful in different capacities.

Figures 4 and 5 demonstrate the results of feedback received from participants who were present at numerous NRTEE stakeholder sessions throughout the year. The two questions asked of participants illustrate their responses in the areas of NRTEE influence and relevance.
The survey results shown in the two figures clearly demonstrate that stakeholders were generally positive in terms of their perceptions of the NRTEE's potential impact and relevance. The relatively high percentage of "neutral" responses could be due to the challenge of clearly attributing changes in government policy directly to the NRTEE's efforts in areas of policy that are intangible and difficult to measure, and in an environment where so many factors are at play.

Figure 4: Survey Results for Statement "The NRTEE's work has a significant impact on the way that key decision makers in Canadian governments think about issues that affect the environment and the economy". Answers from participants from various NRTEE outreach sessions (September 2009 – February 2010)

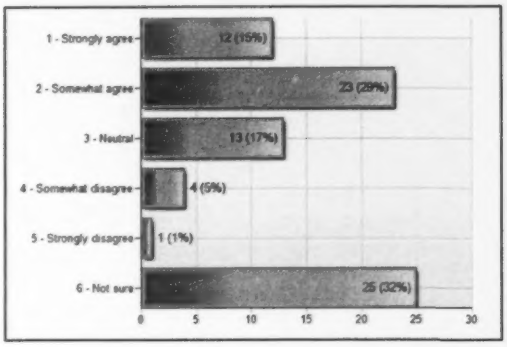
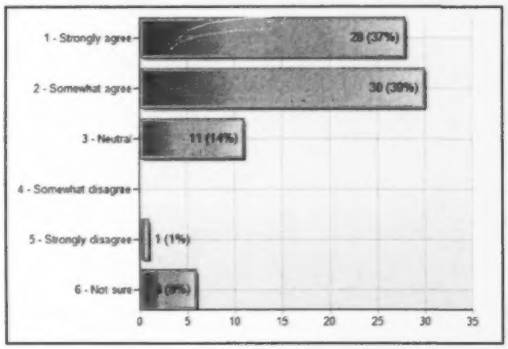


Figure 5: Survey Results for Statement "I believe that the NRTEE's work is highly relevant to key issues that affect Canada's capacity to address challenges related to the environment and the economy" Answers from participants from various NRTEE outreach sessions (September 2009 – February 2010)



Nevertheless, there is strong agreement among stakeholders that the NRTEE's work is relevant and useful. For example, the government has made improvements to its GHG emissions forecasting methodology based on NRTEE advice. Policy options and research produced by the NRTEE have also been considered by federal departments and have been referenced and used by provincial and territorial governments.

Greater reach and depth of its communications activities will be necessary for the NRTEE to influence the broader sustainability community and how, they, in turn, influence decision makers. Factors beyond the direct control of the NRTEE will continue to impact its full success in fulfilling this specific Strategic Outcome.

There was some feeling that the reach of the NRTEE could be broadened to a wider audience, both within government and to the public more generally. It was felt that the NRTEE plays a unique and important advisory role, but there was some uncertainty of its direct impact on federal policy decision-making outcomes. This difficulty in directly attributing efforts to results is an ongoing and systemic challenge of independent policy and research organizations.

2.4 Lessons Learned

- Stakeholder feedback indicates a widespread desire to have the NRTEE increase its engagement base to a broader spectrum of leaders and decision makers. The small NRTEE resource base will limit progress in this respect. Working collaboratively with regional stakeholders and partners in outreach activities will be used to try and leverage broader engagement.
- The NRTEE had assumed its core strengths were its high quality research outputs and its neutrality. While these are recognized attributes, stakeholders felt a distinctive asset of the NRTEE is its convening power; the ability to bring a range of diverse opinions and leaders together to share different perspectives on difficult issues in a respectful manner. The Round Table will attempt to further leverage this strength in the pursuit of its mandate.
- The NRTEE's initial trial forays into using social media as part of its communication strategy yielded positive results and will be pursued further going forward.

2.5 Benefits for Canadians

The NRTEE benefits Canadians by addressing an issue of critical importance, namely sustainable development. The agency provides recommendations to decision makers with the ultimate goal of influencing policy on issues at the nexus of the environment and the economy. These recommendations, if implemented, are consistent with Canada's national interest and the government's objective of building a globally competitive, sustainable, technologically innovative economy.

SECTION 3: SUPPLEMENTARY INFORMATION

3.1 NRTEE Financial Highlights

Table 7: Condensed Statement of Financial Position at end of Fiscal Year (March 31, 2010)

	% Change	$ thousands	
		2010	2009
ASSETS			
Total Assets	1.2	717.3	708.7
LIABILITIES			
Total Liabilities	0.7	1,129.5	1,121.9
EQUITY			
Total Equity	-0.2	(412.3)	(413.2)
TOTAL	1.2	717.3	708.7

Table 8: Condensed Statement of Operations at end of Fiscal Year (March 31, 2010)

	% Change	$ thousands	
		2010	2009
EXPENSES			
Total Expenses	-6.2	5,346.8	5,699.8
REVENUES			
Total Revenues	-67.2	34.7	105.9
NET COST OF OPERATIONS	-5.0	5,312.1	5,593.9

3.2 NRTEE Financial Statements

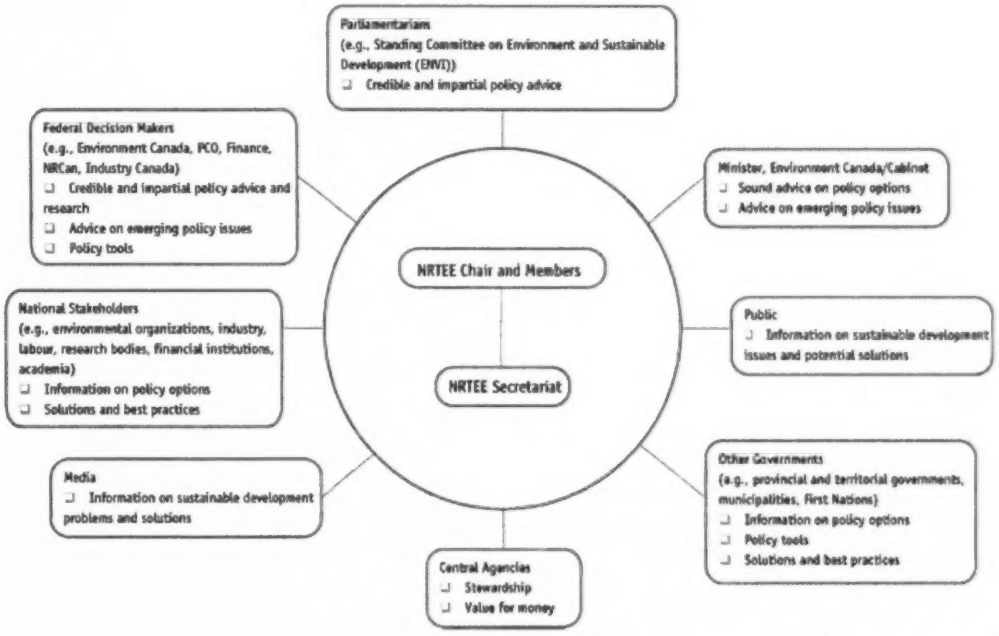
As a departmental corporation listed in Schedule II of the *Financial Administration Act*, the NRTEE is required to produce an annual report containing its audited financial statements. An electronic version of this report for 2009–2010 may be found on NRTEE's website at the following link: http://www.nrtee-trnee.ca/eng/publications/annual-reports/annualreport-2009-2010/index-AR-2009-2010-eng.php

SECTION 4: OTHER ITEMS OF INTEREST

4.1 NRTEE Stakeholders and Their Expectations

As the stakeholder map in Figure 6 indicates, NRTEE serves a number of stakeholders, including Cabinet and parliamentarians, the Minister of the Environment, federal decision makers, and national stakeholders who have an interest in the environment and sustainable development. The figure summarizes the expectations of each of these stakeholders in relation to the NRTEE.

Figure 6: NRTEE Stakeholders and Their Expectations


Parliamentarians
(e.g., Standing Committee on Environment and Sustainable Development (ENVI))
Credible and impartial policy advice
Federal Decision Makers
(e.g., Environment Canada, PCO, Finance, NRCan, Industry Canada)
Credible and impartial policy advice and research
Advice on emerging policy issues
Policy tools
Minister, Environment Canada/Cabinet
Sound advice on policy options
Advice on emerging policy issues
NRTEE Chair and Members
National Stakeholders
(e.g., environmental organizations, industry, labour, research bodies, financial institutions, academia)
Information on policy options
Solutions and best practices
Public
Information on sustainable development issues and potential solutions
NRTEE Secretariat
Media
Information on sustainable development problems and solutions
Other Governments
(e.g., provincial and territorial governments, municipalities, First Nations)
Information on policy options
Policy tools
Solutions and best practices
Central Agencies
Stewardship
Value for money

4.2 NRTEE Members

NRTEE members meet four times a year to review research, approve reports, and agree on new priorities for action. Members often participate in expert advisory committees and on NRTEE task forces. They bring unique expertise as well as a broader perspective to the Round Table, essential to enriching the NRTEE's results.

The members (from April 1, 2009 to March 31, 2010) are listed below:

NRTEE Chair
Bob Page
Calgary, Alberta

Janet Benjamin
North Vancouver, British Columbia (to December 8, 2009)

The Honourable
Pauline Browes, P.C.
Toronto, Ontario

Elizabeth Brubaker
Toronto, Ontario

Angus Bruneau
St. John's, Newfoundland and Labrador

David Chernushenko
Ottawa, Ontario (to November 9, 2009)

Diane Cunningham
London, Ontario (from May 14, 2009)

Anthony Dale
Toronto, Ontario

Francine Dorion
St-Bruno-de-Montarville, Québec

Robert Dubé
Montréal, Québec (to October 12, 2009)

John Hachey
Lachine, Québec (from May 14, 2009)

Timothy Haig
Oakville, Ontario

Christopher Hilkene
Toronto, Ontario

Franklin Holtforster
Ottawa, Ontario (from November 9, 2009)

Mark Jaccard
Vancouver, British Columbia (to November 9, 2009)

Leah Lawrence
Calgary, Alberta (from May 14 to November 13, 2009)

Donald MacKinnon
Toronto, Ontario

Ken McKinnon
Whitehorse, Yukon

Robert Mills
Red Deer, Alberta (from October 1, 2009)

Richard Prokopanko
Vancouver, British Columbia

Wishart Robson
Calgary, Alberta

Robert Slater
Ottawa, Ontario

Robert Sopuck
Sandy Lake, Manitoba (to July 28, 2009)

Biographies and additional information about NRTEE members can be found at http://www.nrtee-trnee.ca/eng/about-us/members/nrtee-members.php.

4.3 NRTEE Contact Information

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